

**JIM BRYSON FOR GOVERNOR
INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**



BLANKENSHIP CPA GROUP

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Jim Bryson for Governor
231 Public Square, Suite 201
Franklin, TN 37064

We have performed the procedures enumerated below, which were agreed to by Jim Bryson for Governor, solely to assist you with respect to the financial disclosures of Jim Bryson for Governor for the period of April 1, 2006 through January 15, 2007. The Jim Bryson for Governor's management is responsible for the organization's financial disclosures. These agreed-upon procedures were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures listed below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

CONTRIBUTIONS:**PROCEDURES:**

1. Examine a sample of 25 receipts for excessive contributions and loans.
 - a. Noting that no person contributed funds in excess of campaign finance limits laws per election in monetary and in-kind contributions (including loans).
 - b. Noting that monetary and in-kind contributions received were disclosed and reported in the proper period.
 - c. Noting that loans received were disclosed and reported in the proper period.
 - d. Noting that interest earned was disclosed and reported in the proper period.
 - e. Noting that contributions were disclosed in compliance with Tennessee Code Annotated, Section 2-10-105 and Section 2-10-107. (This includes such items as name, address, occupation, and employer being properly disclosed.)
 - f. Noting that contributions are supported by the bank statement and a copy of the deposit slip.
 - g. Noting no cash contributions over \$50 per election were received.
 - h. Noting that no contributions were received and retained from a lobbyist, employee or a lobbyist, or corporation. (Supplemental disclosure not covered in report)
2. Review entire listing of contributions used for sample selection to determine reasonableness of information pertaining to above requirements.

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3. Review Political Party PAC aggregate contributions to determine that contributions were within campaign limits per election in monetary and in-kind contributions.
 - a. Noting that no PAC (excluding political party PACs) contributed funds in excess of campaign finance limit laws per election in monetary and in-kind contributions (includes loans).
 - b. Noting that no contributions were received from PACs (excluding political party PACs) during blackout periods.
4. Review PAC contributions (excluding political party PACs) to determine that they are not greater than 50% of total contributions.

FINDINGS:

Of the 25 contributions that were selected two were reported in the incorrect period. Both were collected near the period end and were deposited in the period for which they were disclosed. All other contributions were disclosed and reported in the proper period. All contributions were disclosed and reported in compliance with Tennessee Code Annotated, Section 2-10-105 and Section 2-10-107 and were deposited into a campaign bank account. No contributions were received in excess of campaign finance limits per election in monetary and in-kind contributions. Per inquiry of Jim Bryson for Governor's management, no loans were received during the period. Per review of bank statements no interest was earned during the period.

One cash contribution totaling \$100 was found during examination of bank statements and supporting deposit detail. This exceeds the legal limits for cash contributions to the campaign. This was an isolated incident and no other cash contributions were found to be in violation of the legal limit.

Along with other procedures performed, a review of contribution list provided by Jim Bryson for Governor's management provided additional confidence that contributions were recorded and disclosed properly and that no contributions were received from prohibited parties.

During our review of PAC contributions we noted that no PAC contributed in excess of \$7,500 for primary election and \$7,500 for general election. Also noted, was that no PAC made any contribution during the blackout period as described by the Registry of Election Finance's website. Total contributions by PACs and political party PACs were within campaign law limits for monetary and in-kind contributions.

DISBURSEMENTS:

PROCEDURES:

1. Examine a sample of 25 disbursements.
 - a. Noting that campaign disbursements were disclosed and reported in the proper period.
 - b. Noting that disbursements were disclosed in compliance with Tennessee Code Annotated, Section 2-10-107 and Section 2-10-114. (This includes such items as name and address for expenses and allowable/unallowable expenses)
 - c. Noting that disbursements are supported by the bank statements and a copy of the cancelled check.
2. Examine a schedule of obligations and repayments.
 - a. Noting that obligations were disclosed and reported in the proper period.
 - b. Noting that obligations were supported by proper documentation.

FINDINGS:

During our examination of a sample of 25 disbursements we noted no improper disclosure or reporting. The entire sample was traced to an invoice, a bank statement with a copy of cancelled check or memo line for bank drafts, and to financial disclosure reports as provided by Jim Bryson for Governor's management. Per review of invoices, all were disclosed in compliance with Tennessee Code Annotated, Section 2-10-107 and Section 2-10-114.

Per review of obligations and repayments schedule, all obligations and repayments were disclosed and reported in the proper period and were supported by proper documentation.

GENERAL:

PROCEDURES:

1. Inquire concerning the adoption of a record keeping system that allows for accurate reporting when required.
2. Review campaign bank accounts and reconciliations.
3. Determine that financial disclosures were made in a timely manner.

FINDINGS:

Management made representations regarding the adoption of a record keeping system that allowed for accurate reporting when required. Also through other testing we determined

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that reporting was complete and accurate as compared to the bank statements. During the tests of contributions and disbursements, review was completed on the bank statements noting that they had been reconciled when required. During the agreed-upon procedures, financial disclosure reports were compared to bank statements and reconciliations noting that the beginning and ending balances were equal. All financial disclosures were made in a timely manner, except for the completion of the financial disclosure audit.

We were not engaged to, and did not conduct an audit the objective of which would be the expression of an opinion on the financial disclosures. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Jim Bryson for Governor and the Registry of Election Finance and is not intended to be and should not be used by anyone other than those specified parties.

Blankenship CPA Group, PLLC

December 21, 2007

STATE OF TENNESSEE



REGISTRY OF ELECTION FINANCE
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BOARD MEMBERS

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AUDIT MANAGER
Jay Moeck, CPA, CFE

February 6, 2008

Dear Registry Members:

We reviewed the independent accountants' report on applying agreed-upon procedures for Jim Bryson for Governor for the period of April 1, 2006 through January 15, 2007 and we find the audit to be complete and acceptable according to T.C.A. §2-10-212.

The report indicated the following findings regarding contributions.

- Two of 25 contributions were reported in the incorrect period.
- One cash contribution of \$100.00 exceeded the cash contribution limit.

The independent accountant indicated that the two contributions that were reported in the incorrect period were received near the end of the period and reported in the subsequent period. These are minor errors; therefore, no corrections were requested from the candidate. Mr. Bryson indicated that the cash contribution that exceeded the \$100.00 cash contribution limit was improperly reported and should be from the contributor and his wife. This error was corrected on the 2006 third quarter report on February 5, 2008.

Based on the review of independent accountants' report and the corrections made, we recommend the Registry approve the audit performed as being complete and acceptable according to T.C.A. 2-10-212(h). Along with the independent accountants' report, the Registry auditors are providing summary financial data for Mr. Bryson's 2006 election campaign.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Moeck".

Jay Moeck, CPA, CFE
Audit Manager

CAMPAIGN OVERVIEW

CAMPAIGN ORGANIZATION

Jim Bryson was a candidate in the November 7, 2006 general election for Governor. Mr. Bryson filed an Appointment of Political Treasurer Statement with the Registry on April 4, 2006 appointing Russell S. Bradley as political treasurer.

The candidate's first financial disclosure for the 2006 campaign was the 2006 second quarter report filed on July 11, 2006. As of January 31, 2008, Mr. Bryson's most current financial disclosure report was the 2006 annual year-end supplemental (2007), which he filed on January 27, 2008. The 2006 annual year-end supplemental (2007) report indicated \$0.00 in cash on hand, \$0.00 in outstanding obligations, and \$0.00 in outstanding loans. The candidate has completed his 2006 election campaign reporting requirements.

OVERVIEW OF FINANCIAL ACTIVITIES

The following financial amounts are a summary of the financial disclosures made by the candidate. The summarized amounts are from the following disclosure reports: 2006 second quarter, 2006 pre-primary, 2006 third quarter, 2006 pre-general, and 2006 fourth quarter reports after amendments.

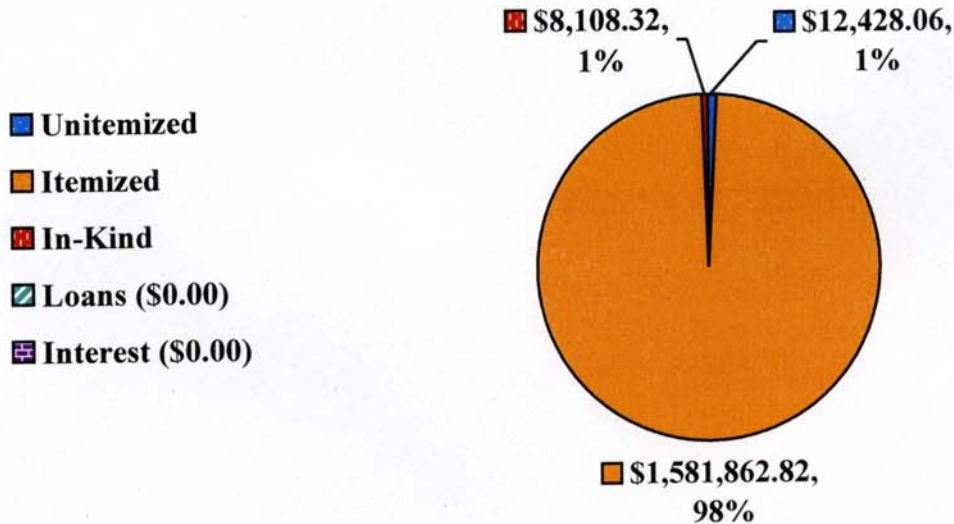
Summary of Financial Activity

Cash on hand at April 1, 2006		\$0.00
Receipts		
Itemized	\$1,581,862.82	
Un-itemized	12,428.06	
Interest	0.00	
Loans receipted	0.00	
Total receipts		<u>\$1,594,290.88</u>
Disbursements		
Itemized	1,565,811.19	
Un-itemized	4,448.21	
Loans principal payments	0.00	
Total disbursements		<u>\$1,570,259.40</u>
Cash on hand at January 15, 2007		<u>\$24,031.48</u>
Loans outstanding at January 15, 2007		\$0.00
Obligations at January 15, 2007		\$8,100.00
Total in-kind contributions received		\$8,108.32

CHARTS

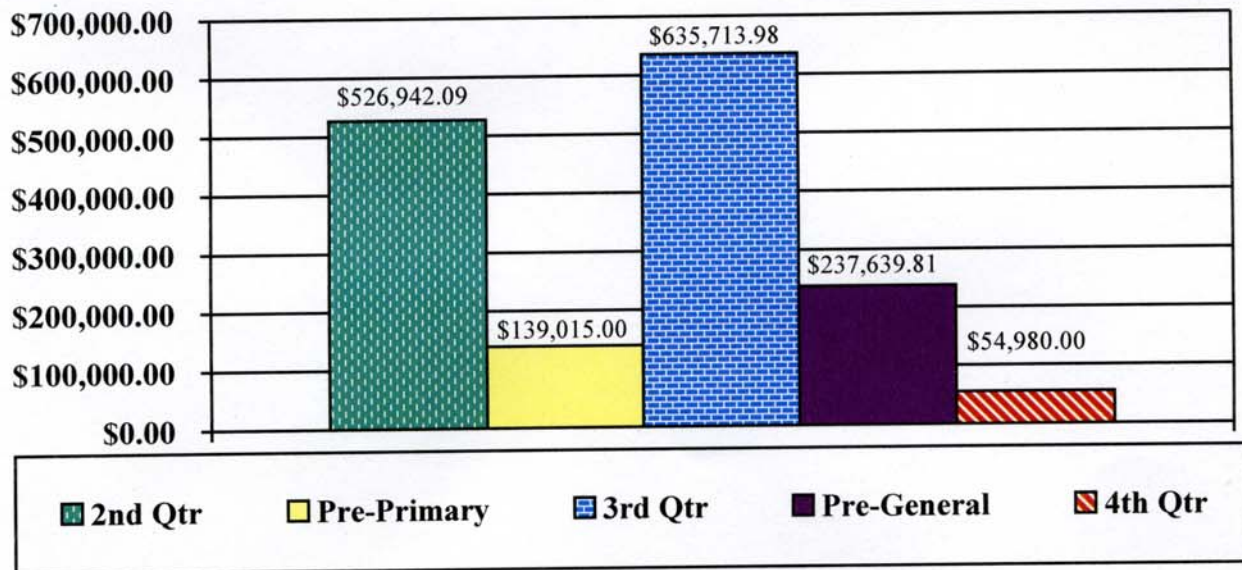
2006 ELECTION CAMPAIGN CONTRIBUTIONS

The following chart shows the contributions reported by the candidate for the 2006 election campaign.



2006 ELECTION CONTRIBUTIONS BY REPORTING PERIOD

The following chart shows the contributions that the candidate reported for the 2006 election campaign by reporting period.



2006 ELECTION EXPENSES BY REPORTING PERIOD

The following chart shows the expenses that the candidate reported for the 2006 election campaign by reporting period.

